



Finance (No. 2) Act 2005

2005 CHAPTER 22

PART 2

INCOME TAX, CORPORATION TAX AND CAPITAL GAINS TAX

CHAPTER 3

AUTHORISED INVESTMENT FUNDS ETC

17 Authorised unit trusts and open-ended investment companies

- (1) The following provisions shall cease to have effect—
 - (a) sections 468H to 468Q of ICTA (authorised unit trusts),
 - (b) paragraphs 2A and 2B of Schedule 10 to FA 1996 (authorised unit trusts and open-ended investment companies: loan relationships),
 - (c) paragraphs 32 and 33 of Schedule 26 to FA 2002 (collective investment schemes: derivative contracts),
 - (d) section 373(4) and (6) of ITTOIA 2005 (open-ended investment company: interest distributions), and
 - (e) section 376(4) and (6) of ITTOIA 2005 (authorised unit trust: interest distributions).
- (2) In this Chapter “authorised investment funds” means—
 - (a) authorised unit trust schemes, and
 - (b) open-ended investment companies.
- (3) The Treasury may, by regulations—
 - (a) make provision about the treatment of authorised investment funds for the purposes of an enactment relating to taxation;
 - (b) provide for the modification of an enactment relating to taxation in its application in relation to—
 - (i) authorised investment funds,

Status: This is the original version (as it was originally enacted).

- (ii) shareholders or unit holders in authorised investment funds, or
- (iii) transactions involving authorised investment funds;
- (c) impose requirements on persons responsible for the management of an authorised investment fund in relation to the provision of information, the form of accounts, the keeping of records or other administrative matters.

(4) For the purposes of this Chapter—

- (a) “unit trust scheme” has the meaning given by section 237 of the Financial Services and Markets Act 2000 (c. 8),
- (b) a unit trust scheme is authorised in relation to an accounting period if an order under section 243 of the Financial Services and Markets Act 2000 is in force in relation to that scheme during the whole or part of that accounting period,
- (c) “unit holder” means a person entitled to a share of the investments subject to the trusts of a unit trust scheme,
- (d) a reference to a shareholder or unit holder includes a person beneficially entitled to shares or units (and a reference to owning units or shares shall be construed accordingly),
- (e) “open-ended investment company” means a company incorporated in the United Kingdom to which section 236 of the Financial Services and Markets Act 2000 applies,
- (f) “associate” has the meaning given by section 417 of ICTA,
- (g) “net asset value” means the value of the assets of the authorised investment fund, after the deduction of specified liabilities,
- (h) a reference to a distribution includes investing an amount on behalf of a unit holder or shareholder in respect of his accumulation units or accumulation shares,
- (i) “distribution accounts” means accounts showing—
 - (i) the total amount available for distribution to unit holders or shareholders, and
 - (ii) how that amount is computed,
- (j) the “distribution date” for a distribution period in relation to an authorised investment fund means—
 - (i) the date specified by or in accordance with the terms of the trust or the instrument of incorporation of the company for any distribution for that distribution period, or
 - (ii) if no date is specified, the last day of that distribution period,
- (k) “distribution period” in relation to an authorised investment fund means a period by reference to which the total amount available for distribution to unit holders or shareholders is ascertained,
- (l) “umbrella company” has the meaning given by section 468A of ICTA,
- (m) “umbrella scheme” has the meaning given by section 468 of ICTA, and
- (n) section 839 of ICTA (connected persons) applies.